

Date: 20th May, 2024

BSE Limited	National Stock Exchange of India Limited
Listing Dept./ Dept. of Corporate Services	Listing Department
Phiroze Jeejeebhoy Towers	Exchange Plaza, Plot no. C/I, G Block
Dalal Street	Bandra -Kurla Complex,
Mumbai - 400001	Bandra (East) Mumbai - 400051
Scrip Code / ID: 540879/ APOLLO	Scrip Code: APOLLO

Scrip Code: 540879

Symbol: APOLLO

ISIN: INE713T01028

Sub: Investor Presentation for the Quarter and year ended 31st March, 2024

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing a copy of investor presentation for the quarter and year ended 31st March, 2024.

The copy of the disclosure is available on the website of the Company i.e. <https://apollo-micro.com/>

This is for your information and records.

Thanking You

Yours Faithfully

FOR APOLLO MICRO SYSTEMS LIMITED

RUKHYA PARVEEN
COMPANY SECRETARY & COMPLIANCE OFFICER

APOLLO MICRO SYSTEMS LIMITED

Regd. Off: Plot No. 128/A, Road No. 12, IDA-Mallapur, Uppal Mandal, R.R. Dist – 500076, Telangana, India.

Tel No: 040 – 27167000 – 099, Fax No: 040 - 27150820

cs@apollo-micro.com, www.apollo-micro.com

CIN No: L72200TG1997PLC026556



EARNINGS RELEASE & SHAREHOLDERS' LETTER

Q4 & FY24 | May 20, 2024



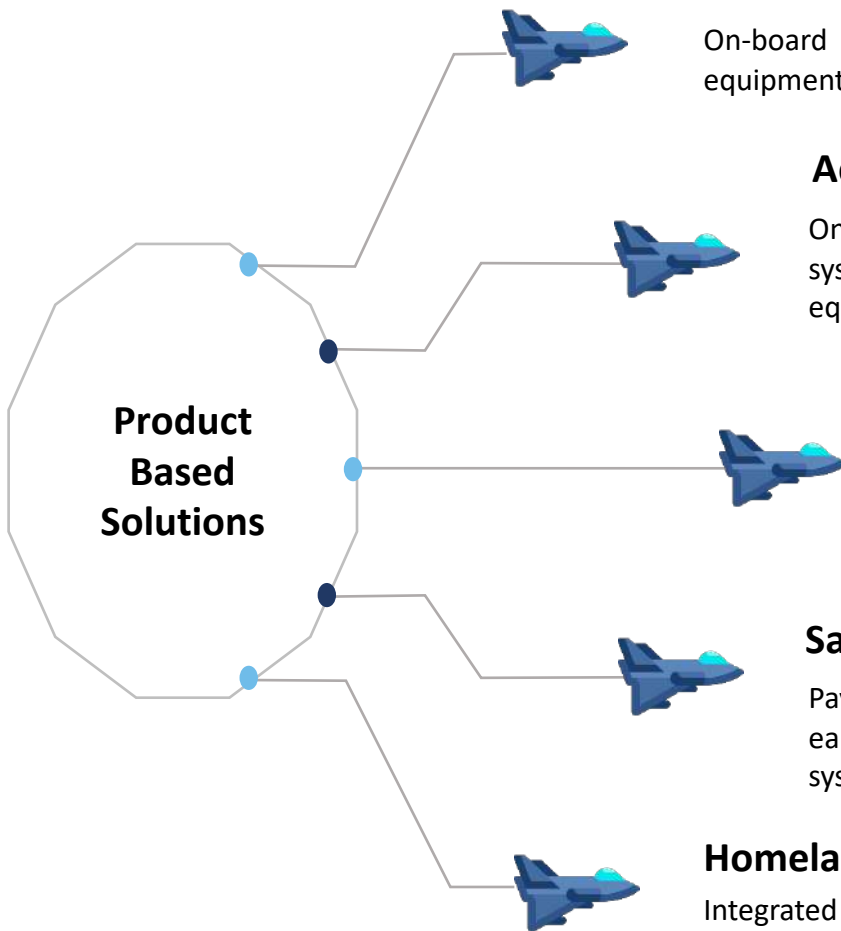
About us:

- ❑ Apollo Micro Systems Limited (“AMS” or “The Company”) was established in 1985 and has emerged as one of India’s leading electronic, electro-mechanical, engineering designs, manufacturing, and supplies company.
- ❑ AMS specializes in the design, development, and sale of high-performance solutions that are critical for missions and time-sensitive operations.
- ❑ Company’s products are used across multiple industries including Aerospace Systems, Ground Defence, Space, Avionics Systems, Homeland Security, and Transportation.
- ❑ AMS’s manufacturing facility is located in Hyderabad and has a built-up area of 55,000 sq.ft. with a team of 300+ employees, including 150+ employees in R&D.

Our Key Differentiator:

- ❑ Over 39 years of experience in the Design, Development and Assembly of Custom-Built Electronics and Electro-mechanical solutions.
- ❑ AMS provides a gamut of products and services which includes designing, electronic manufacturing services, PCB fabrication, embedded software design and development, circuit board assembly, hardware design services, concept-to-product development, host interface development, and custom-built electronic systems.
- ❑ Company’s manufacturing plant boasts a full-fledged ESS testing facility, and the inspection is in line with DGQA standards.
- ❑ ISO, CEMILAC certified and DRDO approved partner with key roles in multiple ongoing defence programmes.
- ❑ AMS actively invests an average of 7-8% of the revenue in R&D for developing and testing critical components under DRDO programmes. Some of the key strategic projects are mentioned below:
 1. Universal Homming System for Light & Heavy Weight Torpedoes
 2. Landing Gear Actuators for Avionic Platforms
 3. Digital RF Seeker Signal Processor
 4. Integrated Guidance Kit for Various Platforms
 5. Under Water Mines
- ❑ Company’s clientele consists of prominent Government institutions such as the DRDO, Indian Navy, DPSU’s, as well as private players like Adani, L&T, Solar Industries and many more.

Our Capabilities



Avionic Systems

On-board & ground support equipment for avionics

Aerospace Systems

On-board electronic weapon systems & ground support equipment for missile systems

Naval Systems

On-board weapon electronics & ground support equipment for torpedoes, decoys-jammers, submarines & ships

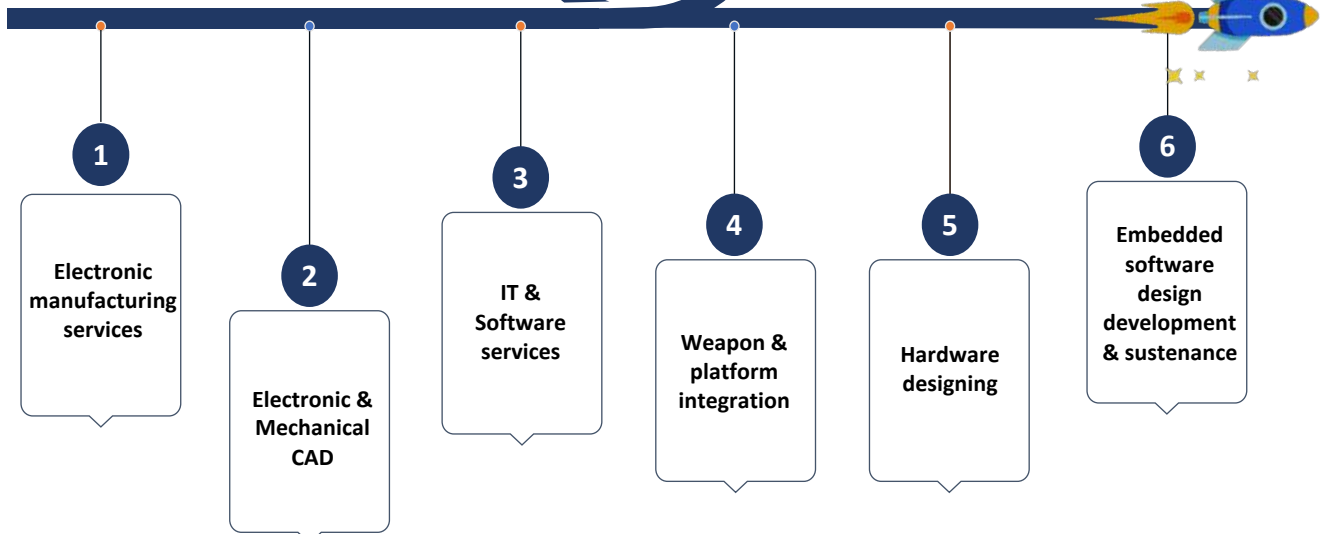
Satellite Space Systems

Payload checkout systems & earth station acquisition systems for space applications

Homeland Security

Integrated surveillance systems, perimeter security systems, anti drones, drones, ads-b-systems

Service Based Solutions



A Showcase of Our Cutting-Edge Products

**WE POWER THE AIRSPACE
WITH ADVANCED SAFETY
CRITICAL PRODUCTS**



AVIONICS

AS 9100D CERTIFIED COMPANY
CEMILAC CERTIFIED COMPANY

SEEKER SIGNAL PROCESSOR
SAFETY ARMING MECHANISM
ON BOARD COMPUTER
INTEGRATED AVIONICS MODULE
QUAD CHANNEL ACTUATOR CONTROLLER
MISSILE INTERFACE UNIT
ROTARY ELECTRO MECHANICAL ACTUATOR

RADIO PROXIMITY FUZE SIGNAL PROCESSOR
UNIFIED AVIONICS COMPUTER
POWER SUPPLY RELAY UNIT

**PIONEERS
IN WEAPON SYSTEM
ELECTRONICS**

AEROSPACE

AS 9100D CERTIFIED COMPANY
CEMILAC CERTIFIED COMPANY

**WE EMPOWER GROUND DEFENCE
WITH RUGGEDISED & RELIABLE
ELECTRONIC SYSTEMS**



GROUND DEFENSE

AS 9100D CERTIFIED COMPANY
CEMILAC CERTIFIED COMPANY

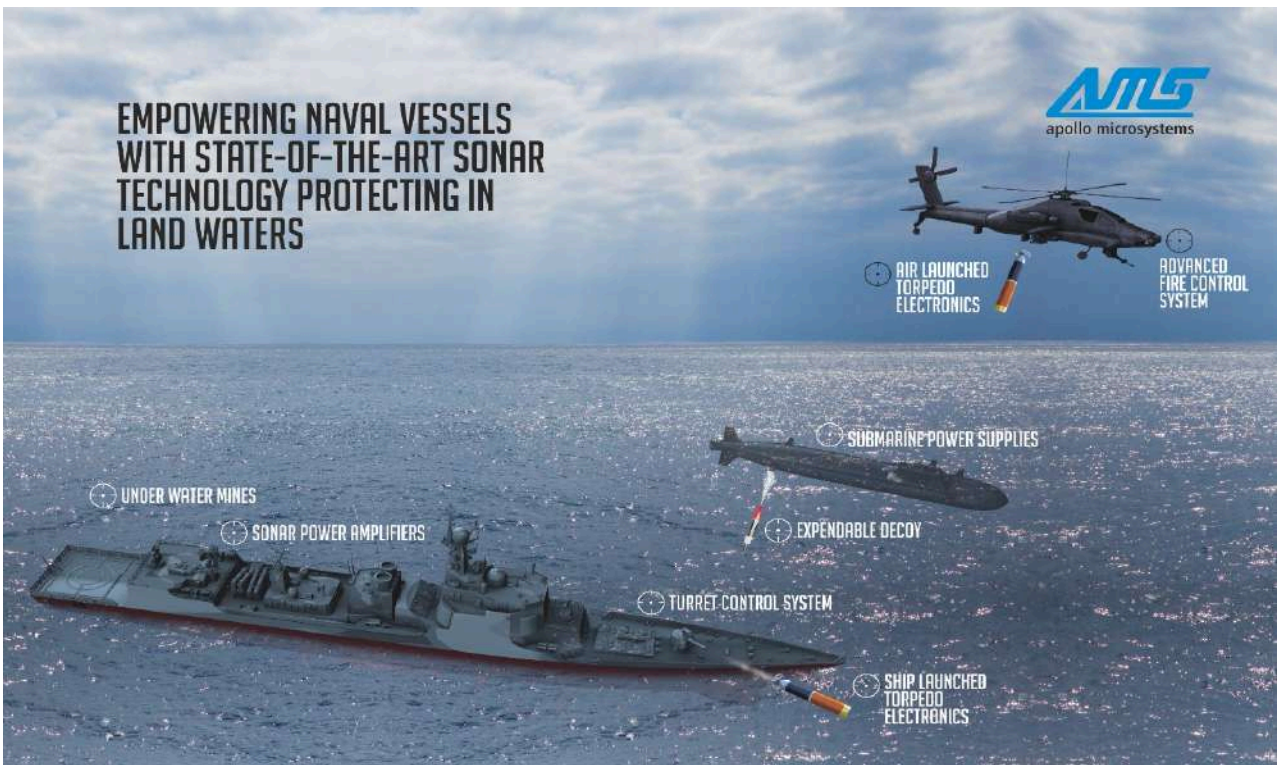
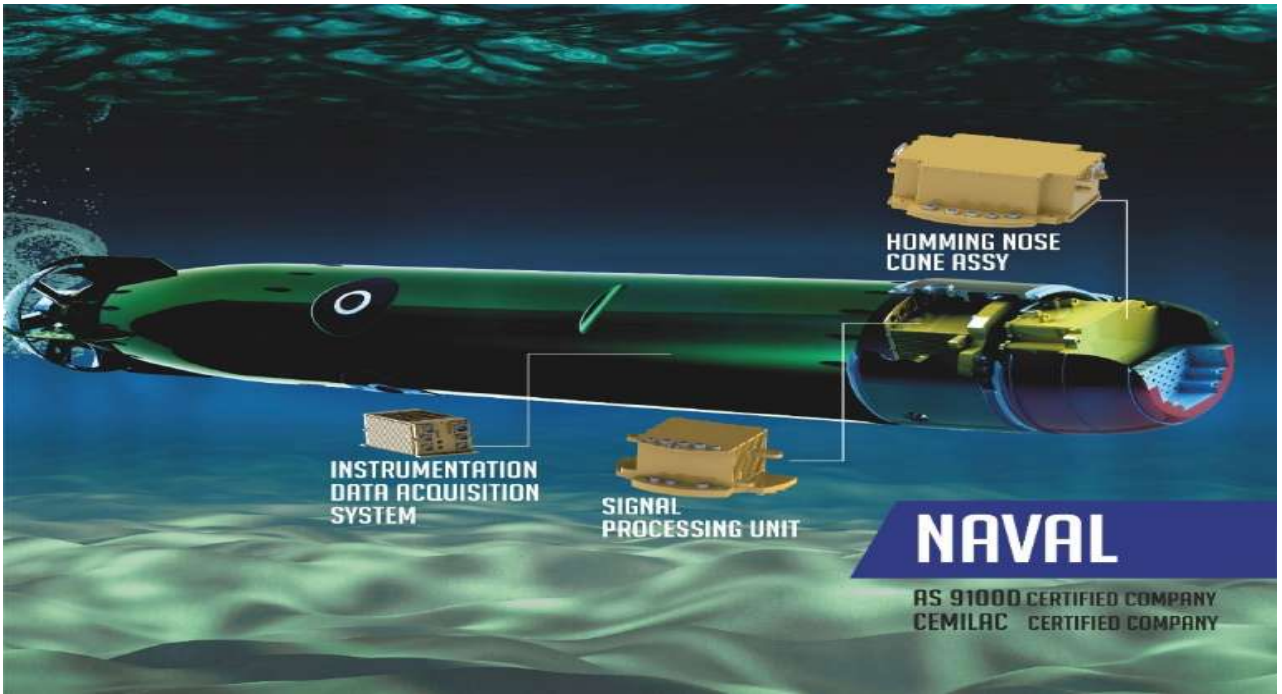
BORDER SURVEILLANCE USING SATELLITE IMAGERY

SPACE

SATELLITE DATA ACQUISITION SYSTEM

AS 9100D CERTIFIED COMPANY
CEMILAC CERTIFIED COMPANY

A Showcase of Our Cutting-Edge Products

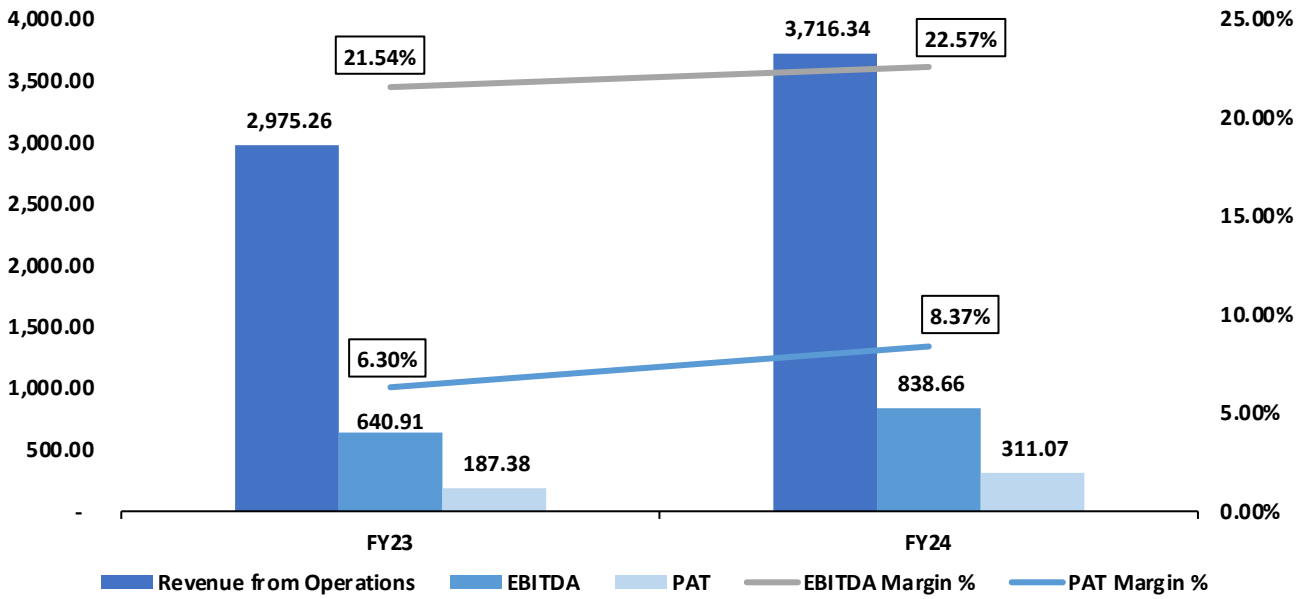


Sectors we work in

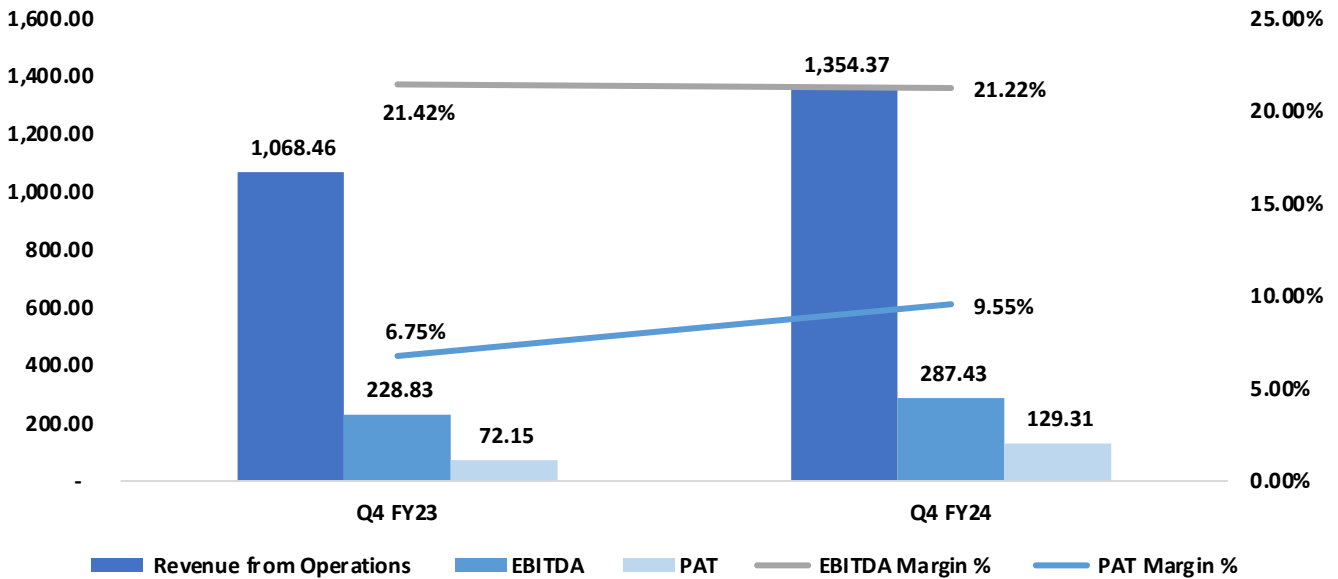


Consolidated Key Financial Metrics

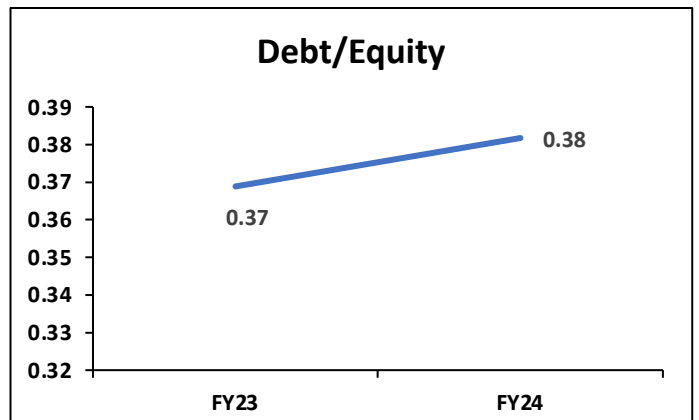
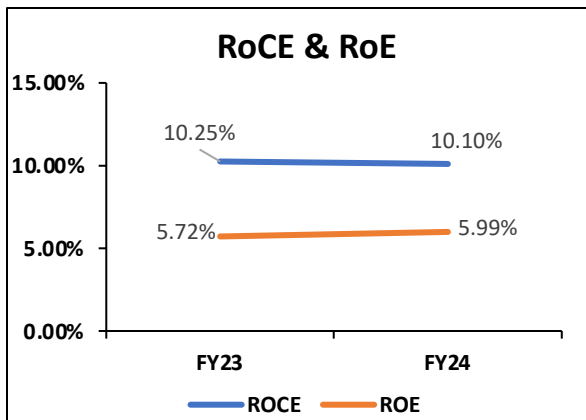
Yearly Comparison (Rs. In Mn)



Quarterly Comparison (Rs. In Mn)



Balance Sheet Ratios:



Consolidated Financial Summary:

Income Statement:

Particulars (Rs. Mn)	Q4 FY24	Q4 FY23	YoY%	FY24	FY23	YoY%
Revenue from Operations	1,354.37	1,068.46	26.76%	3,716.34	2,975.26	24.91%
Other Income	8.61	0.05		18.26	8.24	
Total Income	1,362.98	1,068.51		3,734.60	2,983.50	
Total Expenses excluding Depreciation, Amortization & Finance Cost	1,066.95	839.62		2,877.68	2,334.35	
EBITDA*	287.43	228.83	25.61%	838.66	640.91	30.85%
EBITDA Margin (%)	21.22%	21.42%		22.57%	21.54%	
Depreciation & Amortization	31.40	26.44		112.96	103.66	
Finance Cost	82.98	74.95		303.02	223.69	
PBT & Exceptional Items	181.65	127.50		440.94	321.80	
Exceptional Items	0.00	14.19		0.00	32.22	
PBT	181.65	113.31		440.94	289.57	
Tax	52.34	41.16		129.87	102.20	
PAT	129.31	72.15	79.23%	311.07	187.38	66.01%
PAT Margin %	9.55%	6.75%		8.37%	6.30%	
Diluted EPS	0.48	2.35		1.16	6.11	

*EBITDA is calculated excluding Other Income

Balance Sheet:

Particulars (Rs. Mn)	As on 31.03.24	As on 31.03.23
Assets		
Non-current assets		
Property, plant and equipment	1,407.05	1,048.12
Capital WIP	348.37	316.37
Goodwill	0.19	0.19
Intangible Assets	18.31	1.17
Rights of Use Assets	17.79	11.83
Financial Assets		
-Other Financial Assets	-	-
Other non-current assets	27.26	15.24
Total non-current assets	1,818.97	1,392.90
Inventories	4,335.59	3,415.30
Financial Assets		
-Investments	-	-
-Trade Receivables	2,352.72	1,465.95
-Cash & Cash equivalents	1.97	2.49
-other bank balances	273.47	180.52
Loans	86.70	7.34
Other current assets	693.00	461.81
Total current assets	7,743.44	5,533.41
TOTAL ASSETS	9,562.41	6,926.31

Particulars (Rs. Mn)	As on 31.03.24	As on 31.03.23
Equity & liabilities		
Equity		
Equity share capital	282.36	207.64
Other equity	4,902.84	3,627.28
Non Controlling Interest	6.99	7.10
Total Equity	5,192.19	3,842.01
Non-current liabilities		
Borrowings	95.59	18.98
Lease Liabilities	10.52	8.46
Deferred tax liabilities(net)	336.75	265.07
Provisions	10.16	2.91
Total Non-current liabilities	453.03	295.42
Financial Liabilities:		
Borrowings	1,886.39	1,398.12
Lease Liabilities	7.14	2.89
Trade payables	1,657.36	1,122.88
Other financial liabilities	145.16	96.43
Other current liabilities	133.21	106.73
Current tax liabilities (net)	84.66	50.27
Provisions	3.27	11.57
Total current liabilities	3,917.19	2,788.88
TOTAL EQUITY & LIABILITIES	9,562.41	6,926.31

Management Commentary:

Commenting on AMS's performance, management team stated:

"We are pleased to present an overview of Apollo Micro Systems Limited's (AMS) performance for Q4 and FY24. This year has seen Apollo Micro Systems make significant strides in several key areas, demonstrating our commitment to innovation, operational excellence, and sustainable growth.

AMS achieved significant financial growth in FY24, driven primarily by robust order execution. The revenue for Q4 FY24 was Rs. 1,354.37 Mn, up from Rs. 1,068.46 Mn in Q4 FY23, with the full-year revenue standing at Rs. 3,716.34 Mn compared to Rs. 2,975.26 Mn in FY23 showcasing a healthy growth of 24.91%. The company's EBITDA for Q4 FY24 increased to Rs. 287.43 Mn from Rs. 228.83 Mn in Q4 FY23, and for the entire fiscal year, it reached Rs. 838.66 Mn, up from Rs. 640.91 Mn in FY23, marking a growth of 25.61% for the quarter and 30.85% for the year, attributed to the increased scale of operations and cost efficient execution. Profit after tax (PAT) for Q4 FY24 was Rs. 129.31 Mn, compared to Rs. 72.15 Mn in Q4 FY23, and for FY24, it stood at Rs. 311.07 Mn, compared to Rs. 187.38 Mn in FY23. PAT margins were 9.55% in Q4 FY24 and 8.37% for the full fiscal year.

Our order book has strengthened on account of several programs moving from development - production to more production based contracts which provides us added visibility for future revenue growth. Apart from the current order book we continue to focus on developing game changing solutions which find excessive defence applications and can be a prime for exports too. The testimony can be seen in our repeated order wins. The company is participating in Make-II Defence Projects and is likely to collaborate with other companies in building larger platforms.

*On the capability augmentation front we have announced the groundbreaking ceremony for our Integrated Plant for Ingenious Defense Systems (IPiDS) in Hyderabad, this makes our foray into defense and space sector growth even more stronger with in-house capabilities. This would cater to developing products in the missile, unmanned aerial and ground systems development. IPiDS signifies our dedication to national security and technological advancement. AMS remains steadfast to innovation, excellence, and is poised to elevate India's defense prowess globally. Currently, AMS operates a **55,000 sqft** manufacturing facility, with two additional facilities of **40,000 sqft** and **3,50,000 sqft** under development. These expansions will significantly enhance our manufacturing capabilities, supporting increased production and meeting growing demand. This strategic growth positions AMS to capitalize on emerging opportunities in the defense and electronic manufacturing sectors, driving our long-term success. Also AMS boasts over **700** on-board technologies and is actively involved in more than **150** indigenous programs and **60** DcPP programs as a sub-system partner. These engagements underscore our commitment to technological innovation and strategic partnerships, solidifying our leadership in the defense sector.*

India's defense exports have experienced a remarkable 16-fold increase from FY17-24E, amounting to USD 3 billion, with a projected ascent to USD 7 billion by FY30E, in alignment with the Government's ambitious target of USD 6 billion by FY29E. Prominent export destinations encompass Italy, Egypt, UAE, Bhutan, Ethiopia, and Saudi Arabia, notably with the Middle East (ME) constituting 33% of global arm imports valued at USD 11 billion, presenting substantial prospects, particularly with Qatar and Saudi Arabia representing 52% of ME imports. Furthermore, the earmarked US\$ 130 billion investment in fleet modernization over 5-7 years ensures enduring contracts and technological progress. Moreover, India's diminished imports provide domestic companies with an opportunity to cultivate indigenous technologies, fostering both exports and domestic production. In view of capitalizing these emerging opportunities, AMS is continuously investing in its manufacturing capabilities, man power capabilities and technological capabilities.

Looking ahead, we are optimistic about the future growth prospects of Apollo Micro Systems Limited. The robust demand for electronic solutions in defense, coupled with our strategic initiatives, positions us favorably for continued success. We will continue to explore avenues for innovation, collaborate with strategic partners, and pursue excellence in all aspects of our operations. We are confident in our capability to increasingly contribute to India's drive for self-reliance in defence technologies and we will continue to scale greater heights in executing projection ahead. Our dedicated team, focus on innovation, and commitment to customer satisfaction will continue to be the pillars of our success.

We would like to extend our gratitude to our employees, customers, and shareholders for their unwavering support. Apollo Microsystems Limited remains committed to creating value, and we look forward to a successful future together”

Management Guidance:

- ❑ Revenue is expected to grow by 25% in FY25 led by growth opportunities in Defence and key interest of Indian Government to enhance Defence production and capability of domestic market.
 - ❑ EBITDA margins are expected to be in the corridor of 22%-24% led by increasing in scale of operations.
 - ❑ Company is anticipating a healthy growth in the order book from recent orders released to various Defence PSUs and Private Defence Companies.
 - ❑ The Company's subsidiary Apollo Defence Industries Private Limited informed that it is in discussion with few companies for acquiring partial or full stake.
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Disclaimer:

Certain statements in this document may be forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like Government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Apollo Micro Systems Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstance

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